



## **DIXY GROUP WILL CLOSE VMART STORES**

**Moscow, Russian Federation, March 4, 2008**

**Dixy Group – one of the leading food retailers in the Russian Federation** - has announced the decision to close VMart on-the-go convenience stores in Saint-Petersburg.

The decision to discontinue the development of VMart format is one of the steps taken by the Company to optimize its costs and to increase effectiveness. The management of the Company decided that further development of the VMart format is no longer viable in the current economic conditions.

The Company has opened 12 VMart stores since 2007. All of them are situated in the city of Saint-Petersburg. Net selling space of the 12 VMart stores is equal to 1,154 sq.m. Retail revenue from VMart for the twelve months of 2008 was RUR 241 million (USD 9.7 million), which is 0.5% of the consolidated Sales of the DIXY Group during that period.

The Company plans to employ the existing staff of VMart stores of about 200 people in the new DIXY stores scheduled for opening in 2009.

“In 2009, we will focus on our most popular and promising format which is DIXY discounter stores. While the Company plans to open at least 100 DIXY stores in 2009, our strategic priority for 2009 is operational efficiency improvement, rather than extensive growth. In the frame of this strategy we might be closing some stores that are not performing well,” – said the President of DIXY Group of Companies Ilya Yakubson.



**DIXY GROUP**

*Press-release*

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**OJSC DIXY Group (RTS, MICEX: DIXY)** is one of the leading Russian companies operating on the food retail and FMCG market.

The first DIXY store opened in 1999 in Moscow. As of February 28, 2009, the Group operated 497 stores, including 464 Dixy (discounter) stores, 13 Megamart (compact hypermarket) stores, 8 Minimart (supermarket) stores and 12 VMart (on-the-go convenience) stores in three Federal Districts of Russia: Central, Northwest and Urals.

In May 2007 the Company completed an IPO on RTS and MICEX, in which it raised USD 360 million. The controlling stake of OJSC DIXY Group (51%) is owned by the Mercury Group of Companies.

In 2008, DIXY's total revenue reached USD 1.94 billion (USD 1.43 billion in 2007). As of December 31, 2008, the Company had a total of 190,996 sq.m. of net selling space and employed 17,798 people.

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